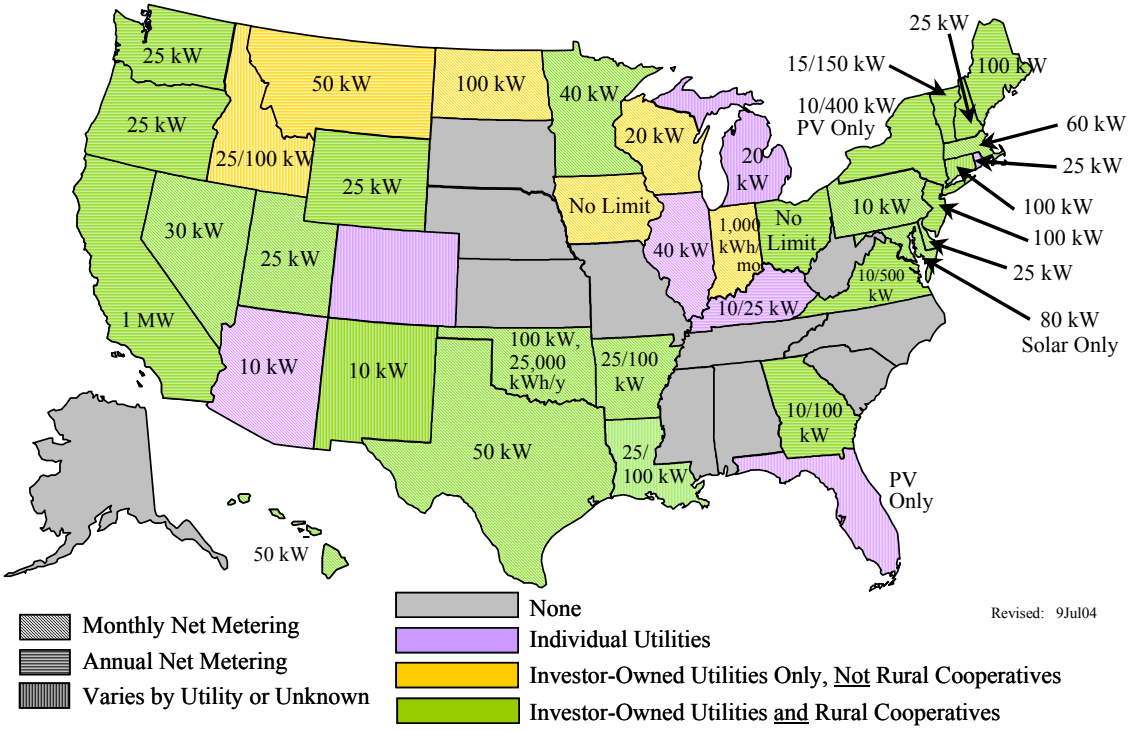
3.4 – States with Net-Metering Policies

Net metering allows customers with generating facilities to turn their electric meters backward when their systems are producing energy in excess of their on-site demand. In this way, net metering enables customers to use their own generation to offset their consumption over a billing period. This offset means that customers receive retail prices for the excess electricity they generate. Without net metering, a second meter is usually installed to measure the electricity that flows back to the provider, with the provider purchasing the power at a rate much lower than the retail rate.



Source: J. Green, National Renewable Energy Laboratory, updated July 2004.
http://www.eere.energy.gov/greenpower/resources/maps/netmetering_map.shtml

Figure 3.4.1. Net-Metering Policies by State

Table 3.4.1. Summary of State Net-Metering Policies

State	Allowable Technology and Size	Allowable Customer	Statewide Limit	Treatment of Net Excess Generation (NEG)	Authority	Enacted	Scope of Program
AZ	≤10 kW; eligible technologies vary by utility	All customer classes	None	Annual NEG granted to utility	ACC; Utility Tariffs	1981	SRP and TEP
AR	Renewables, fuel cells and microturbines ≤25 kW residential ≤100 kW commercial	All customer classes	None	Monthly NEG granted to utilities	Legislature	2001	All utilities
CA	Solar and wind ≤1000 kW	All customer classes	0.5% of utilities peak demand	Annual NEG granted to utilities	Legislature	2002; 2001; 1995	All utilities
CO	Wind and PV 3 kW, 10 kW	Varies	NA	Varies	Utility tariffs	1997	Four Colorado utilities
CT	Renewables and fuel cells ≤100 kW	Residential	None	Not specified	Legislature	1990, updated 1998	All IOUs, No REC in state.
DE	Renewables ≤25 kW	All customer classes	None	Not specified	Legislature	1999	All utilities
FL	JEA: PV and wind ≤10 kW	JEA: Residential only; NSB: All customer classes	None	JEA and NSB: Monthly NEG granted to customer	Individual Utility Tariffs	2003 (JEA)	JEA, New Smyrna Beach
GA	Solar, wind, fuel cells ≤10 kW residential ≤100 kW commercial	Residential and commercial	0.2% of annual peak demand	Monthly NEG or total generation purchased at avoided cost or higher rate if green priced	Legislature	2001	All utilities
HI	Solar, wind, biomass, hydro ≤50 kW	Residential and small commercial	0.5% of annual peak demand	Monthly NEG granted to utilities	Legislature	2001	All utilities
ID	Eligible technologies vary by utility ≤25 kW residential ≤100 kW commercial (Avista ≤25 kW)	Residential and small commercial	None	NEG varies by utility	Public Utility Commission	1980	IOUs only, RECs are not rate-regulated
IL	Solar and wind ≤40 kW	All customer classes; ComEd only	0.1% of annual peak demand	NEG purchased at avoided cost	ComEd tariff	2000	Common-wealth Edison

State	Allowable Technology and Size	Allowable Customer	Statewide Limit	Treatment of Net Excess Generation (NEG)	Authority	Enacted	Scope of Program
IN	Renewables and cogeneration ≤1,000 kWh/month	All customer classes	None	Monthly NEG granted to utilities	Public Utility Commission	1985	IOUs only, RECs are not rate-regulated
IA	Renewables and cogeneration (No limit per system)	All customer classes	105 MW	Monthly NEG purchased at avoided cost	Iowa Utility Board	1993	IOUs only, RECs are not rate-regulated [2]
KY	Residential PV ≤ 15 kW	Not specified	0.1% of a supplier's single-hour peak load for previous year	Monthly NEG granted to customer	Legislature	2004	IOUs and RECs
LA	Residential ≤25 kW; ≤100 kW commercial and farm	Residential, commercial, farm	None	Not specified	Legislature	2003	All utilities
ME	Renewables and fuel cells ≤100 kW	All customer classes	None	Annual NEG granted to utilities	Public Utility Commission	1998	All utilities
MD	Solar and wind ≤80 kW	Residential, commercial, and nonprofit	0.2% of 1998 peak	Monthly NEG granted to utilities	Legislature	1997	All utilities
MA	Qualifying facilities ≤60 kW	All customer classes	None	Monthly NEG purchased at avoided cost	Legislature	1997	All utilities
MN	Qualifying facilities ≤40 kW	All customer classes	None	NEG purchased at utility average retail energy rate	Legislature	1983	All utilities
MT	Solar, wind and hydro ≤50 kW	All customer classes	None	Annual NEG granted to utilities at the end of each calendar year.	Legislature	1999	IOUs only
NV	Biomass, geothermal, solar, wind, hydro ≤30 kW	All customer classes	None	Monthly or annual NEG granted to utilities	Legislature	2001; 1997	All utilities
NH	Solar, wind and hydro ≤25 kW	All customers classes	0.05% of utility's annual peak	NEG credited to next month	Legislature	1998	All utilities
NJ	PV and wind ≤100 kW	Residential and small commercial	0.1% of peak or $2M annual financial impact	Annualized NEG purchased at avoided cost	Legislature	1999	All utilities

State	Allowable Technology and Size	Allowable Customer	Statewide Limit	Treatment of Net Excess Generation (NEG)	Authority	Enacted	Scope of Program
NM	Renewables and cogeneration ≤10 kW	All customer classes	None	NEG credited to next month, or monthly NEG purchased at avoided cost (utility choice)	Public Utility Commission	1999	All utilities
NY	Solar residential ≤10 kW; wind residential ≤ 25 kW; Farm biogas systems <400 kW; Farm wind ≤ 125 kW	Residential; farm systems	0.1% 1996 peak demand	Annualized NEG purchased at avoided cost	Legislature	2002; 1997	All utilities
ND	Renewables and cogeneration ≤100 kW	All customer classes	None	Monthly NEG purchased at avoided cost	Public Utility Commission	1991	IOUs only, RECs are not rate-regulated
OH	Renewables, microturbines, and fuel cells (no limit per system)	All customer classes	1.0% of aggregate customer demand	NEG credited to next month	Legislature	1999	All utilities
OK	Renewables and cogeneration ≤100 kW and ≤25,000 kWh/year	All customer classes	None	Monthly NEG granted to utility	Oklahoma Corporation Commission	1988	All utilities
OR	Solar, wind, fuel cell and hydro ≤25 kW	All customer classes	0.5% of peak demand	Annual NEG granted to low-income programs, credited to customer, or other use determined by Commission	Legislature	1999	All utilities
PA	Renewables and fuel cells ≤10 kW	Residential	None	Monthly NEG granted to utility	Legislature	1998	All utilities
RI	Renewables and fuel cells ≤25 kW	All customer classes	1 MW for Narragansett Electric Company	Annual NEG granted to utilities	Public Utility Commission	1998	Narragansett Electric Company
TX	Renewables only ≤50 kW	All customer classes	None	Monthly NEG purchased at avoided cost	Public Utility Commission	1986	All IOUs and RECs
VT	PV, wind, fuel cells ≤15 kW Farm biogas ≤150 kW	Residential, commercial and agricultural	1% of 1996 peak	Annual NEG granted to utilities	Legislature	1998	All utilities

State	Allowable Technology and Size	Allowable Customer	Statewide Limit	Treatment of Net Excess Generation (NEG)	Authority	Enacted	Scope of Program
VA	Solar, wind and hydro Residential ≤10 kW Non-residential ≤500 kW	All customer classes	0.1% of peak of previous year	Annual NEG granted to utilities (power purchase agreement is allowed)	Legislature	1999	All utilities
WA	Solar, wind, fuel cells and hydro ≤25 kW	All customer classes	0.1% of 1996 peak demand	Annual NEG granted to utility	Legislature	1998	All utilities
WI	All technologies ≤20 kW	All retail customers	None	Monthly NEG purchased at retail rate for renewables, avoided cost for non-renewables	Public Service Commission	1993	IOUs only, RECs are not rate-regulated
WY	Solar, wind, hydro, and biomass ≤ 25 kW	All customer classes	None	Annual NEG purchased at avoided cost	Legislature	2001	All IOUs, RECs, and munis

Source: National Renewable Energy Lab based on original table by Tom Starrs of Kelso Starrs and Associates. July 2004. http://www.eere.energy.gov/greenpower/markets/netmetering.shtml

Notes:
IOU — Investor-owned utility
GandT — Generation and transmission cooperatives
REC — Rural electric cooperative